



Will A Decline In Market Value Reduce My Property Taxes

The Assessor will review the value of every property in the County between January 1 and June 2009, and will implement a **temporary value reduction** for all eligible properties. **There is no charge for this service.**

Q: Will a decline in market value reduce my property taxes?

A: A decline in Market Value may reduce your property taxes if the Market Value on January 1, 2009 is lower than the Proposition 13 Taxable Value.

Q: What is Market Value?

A: It is what the property would sell for in an open market transaction. Property is valued as of January 1 (lien date) each year.

Q: What is the Proposition 13 (Prop. 13) Taxable Value?

A: It is the market value of the property when you acquired it, plus a Consumer Price Index (CPI) adjustment of up to 2% per year, plus the value of any new construction.

Q: When and how is property valued for annual property taxes?

A: By law, the Assessor values property each year as of January 1. The Assessor compares the Taxable Value to the Market Value. The lower value is used for property tax calculations each tax year. Sales transactions and market activity through March 31 are considered to help determine Market Value.

Q: What should I do if I think my Market Value is lower than the Taxable Value?

A: The Assessor reviews the value of every property to determine the market value as of January 1. If you believe your Market Value is lower than your Taxable Value, you are encouraged to submit a Request for Informal Assessment Review with market information on comparable property sales and listings in your area.

Q: Do I have to request an Informal Review and how much will it cost?

A: No, the Assessor reviews the value of every property each year, and reduces taxable value when appropriate. An Informal Review is your opportunity to provide specific information on your property and market conditions in your area. **There is no charge for this service.**

Q: How do I request an Informal Review?

A: Complete the Request for Informal Review form and return it to the Assessor by April 30, 2009. [Click here to get the form](#) (Adobe Acrobat Reader Required)

Q: What information should I include on the Request for Informal Review form?

- A:**
- Clearly identify your property by address and parcel number
 - Provide your daytime telephone number
 - Provide up to three (3) sales or listings in your area that occur on or before March 31, 2009 (*Foreclosures may not be an indicator of market value*)
 - Submit the request form to the Assessor by April 30, 2009.





Q: When will I be notified of my property's Taxable Value?

A: Property owners will receive a Property Value Notice from the Assessor in July. This notice provides the taxable value that will be used to calculate the September property tax bill.

Q: What if I disagree with the Taxable Value on the notice?

A: If you have information that indicates your Taxable Value should be lower, you should call the Assessor at (714) 834-2727 and speak to an appraiser. If you still disagree, you should file an Assessment Appeal with the Clerk of the Board. The Assessment Appeal filing period is July 2 through September 15. Don't wait to get your tax bill to file an appeal, the tax bill may be sent after the September 15 filing deadline.

Q: Can I get a reduction on my current property tax bill?

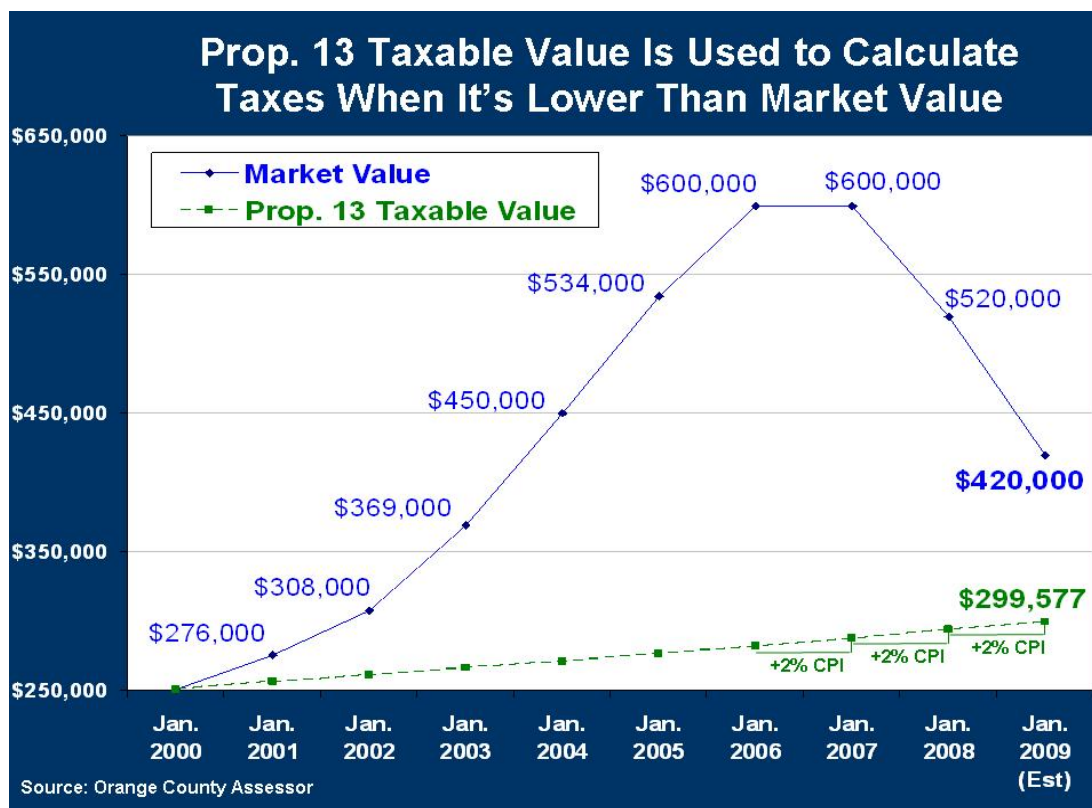
A: No, a value reduction cannot be applied to a prior tax year. The deadline to appeal that value used to calculate your current tax bill was September 15, 2008.

Q: When will I see a reduction in my property taxes?

A: Any value reduction will be included in the property tax bill mailed in September 2009.

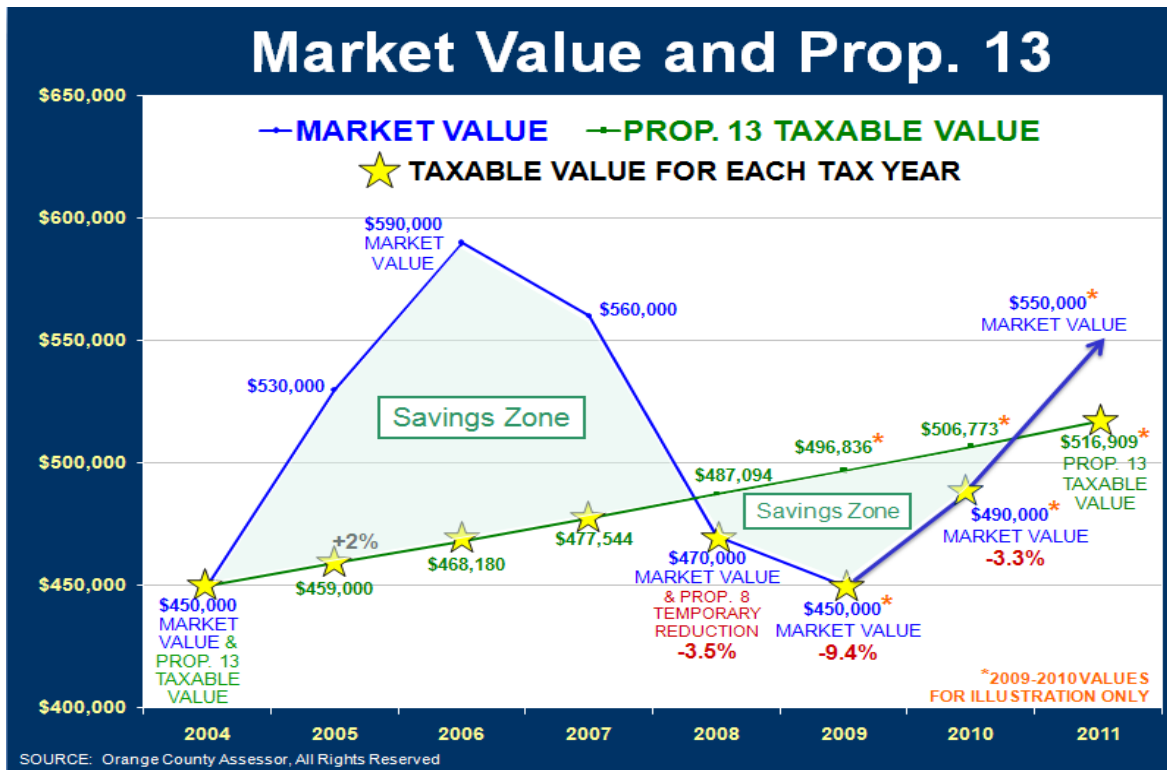
Example: Property Taxes Are Based On The Lower Value Each Year

- This property was purchased in January 2000 for \$250,000.
- A Prop. 13 Consumer Price Index (CPI) adjustment of up to 2% was added each year.
- The Market Value dropped \$180,000 in the last two years, from \$600,000 in January 2007 to \$420,000 in January 2009.
- The Prop. 13 Taxable Value of \$299,577 is lower than the Market Value of \$420,000.
- Taxes will be calculated using the lower Prop. 13 Taxable Value of \$299,577.



**Example: Property Tax – Savings Zone**

- This property was purchased in 2004 for \$450,000.
- A Prop. 13 Consumer Price Index (CPI) adjustment of 2% was added in 2005, 2006 and 2007.
- Market Value dropped below the Prop. 13 Taxable Value in 2008, 2009 and 2010.
- In 2011 the Market Value went back above the Prop. 13 Taxable Value.
- Taxpayers have a “Property Tax Savings Zone”, whether the market is up or down.



Tax Year	Prop. 13 Taxable Value	Market Value	Which Value Is Used To Calculate Property Taxes Each Year?	Difference Between Prop.13 Taxable Value and Market Value Is The "Savings Zone"	Tax Savings Based on 1% Basic Tax Rate
2004	★ 450,000	450,000	Market Value Purchase Price	0	\$0
2005	★ 459,000	530,000	Prop. 13 Taxable Value	71,000	\$710
2006	★ 468,180	590,000	Prop. 13 Taxable Value	121,820	\$1,218
2007	★ 477,544	560,000	Prop. 13 Taxable Value	82,456	\$825
2008	487,094	★ 470,000	Market Value	17,094	\$171
2009	496,836	★ 450,000	Market Value	46,836	\$468
2010	506,773	★ 490,000	Market Value	16,773	\$168
2011	★ 516,909	550,000	Prop. 13 Taxable Value	33,091	\$331
Tax Savings					\$3,891

